

**RESOLUTION NO. 12-35**

**RESOLUTION OF THE CALIFORNIA SCHOOL FINANCE AUTHORITY AUTHORIZING THE ISSUANCE FROM TIME TO TIME OF NOTES TO FINANCE WORKING CAPITAL LOANS TO CERTAIN CHARTER SCHOOLS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$11,565,000, APPROVING THE FORM OF A NOTE PURCHASE AGREEMENT, LOAN AGREEMENTS AND AN INDENTURE THEREFOR, AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.**

October 10, 2012

**WHEREAS**, the California School Finance Authority (the "Authority"), a public instrumentality of the State of California created by the California School Finance Authority Act, as amended (constituting Chapter 18 (commencing with Section 17170) of Part 10 of Division 1 of Title 1 of the Education Code of the State of California) (the "Act"), is authorized to issue notes and loan the proceeds thereof to charter schools operating under the Charter Schools Act of 1992, as amended (constituting Part 26.8 of Division 4 of Title 2 of the Education Code) (the "Charter School Law") to provide working capital, as defined in the Act; and

**WHEREAS**, the schools established under the Charter School Law identified on Exhibit A hereto (each, a "Borrower" and collectively, the "Borrowers"), have each applied for a loan of the proceeds of revenue anticipation notes of the Authority to provide working capital, including certain costs of issuance; and

**WHEREAS**, the Authority has the power and authority to issue up to \$11,565,000 aggregate principal amount of notes and loan the proceeds thereof to the Borrowers; and

**WHEREAS**, such notes as hereinafter described will be secured by, among other things, an intercept of certain funds (the "Intercept") by the State Controller of the State of California (the "State Controller") pursuant to Section 17199.4(a) of the California Education Code;

**NOW, THEREFORE, BE IT RESOLVED** by the California School Finance Authority as follows:

**Section 1.** Pursuant to the Act, the California School Finance Authority Revenue Anticipation Draw Down Notes, Series 2012C (the "Notes"), or such other name or names as may be designated in the Indenture (as defined herein), are authorized to be issued from time to time, in an aggregate principal amount not to exceed \$2,679,000. The Notes may, at the request of the applicable Borrower, be issued from time to time in accordance with the Indenture, the applicable Loan Agreement (as defined herein) and the Purchase Agreement (as defined herein). The dated dates, maturity dates, interest rates, interest payment dates, denominations, forms, registration privileges or requirements, place or places of payment, terms of redemption, restrictions on transfer and other terms of the Notes, shall be as provided in

the Indenture; provided the maturity date of a Note may not be later than 15 months after the issuance date of the Note first issued.

**Section 2.** The proceeds of the Notes shall be used to make loans to one or more of the Borrowers set forth on Exhibit A hereto to provide working capital (which may include costs of issuance of the Notes), in accordance with the respective Loan Agreement with each Borrower. The aggregate amount of loans to any Borrower shall not exceed the maximum loan amount set forth for that Borrower on Exhibit A hereto.

**Section 3.** The Treasurer is hereby authorized to sell the Notes, at any time(s) following the adoption of this Resolution, at private sale to the Purchaser, in such aggregate principal amount (not to exceed the aggregate principal amount set forth in Section 1), at such prices, at such interest rate or rates, with such maturity dates (subject to Section 1) and such other terms and conditions as the Treasurer may determine; provided the first sale of Notes may not be later than six months following the adoption of this Resolution. The Note certificate, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Notes by executing the Trustee's certificate of authentication appearing thereon and to deliver the Notes, when duly executed and authenticated, to the Purchaser in accordance with the Purchase Agreement.

**Section 4.** The following documents:

(i) the Indenture relating to the Notes (the "Indenture"), between the Authority and Citibank, N.A., as trustee (the "Trustee");

(ii) a Loan Agreement relating to the Notes (each, a "Loan Agreement"), between the Authority and each of the Borrowers; and

(iii) the Note Purchase Agreement relating to the Notes (the "Purchase Agreement"), among the Treasurer of the State of California, as agent for sale (the "Treasurer"), the Authority and Citibank, as purchaser of the Notes (the "Purchaser");

are hereby approved in substantially the forms on file with the Authority prior to this meeting (with such form of Loan Agreement approved in respect of each Borrower), with such insertions, deletions or changes therein as the officer(s) executing and/or delivering the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof.

**Section 5.** Each officer of the Authority is hereby authorized and directed to do any and all things which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Notes and otherwise to effectuate the purposes of this Resolution, the Indenture, the Loan Agreements and the Purchase Agreement. The Treasurer is hereby requested and authorized to take any and all actions within his or her authority as agent for sale of the Notes that he or she may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Notes, and to otherwise effectuate the purposes of this Resolution. The Authority

hereby approves any and all documents to be delivered in furtherance of the foregoing purposes, including without limitation certifications.

**Section 6.** The provisions of the Authority's Resolution No. 11-41 apply to the documents and actions approved in this Resolution.

**Section 7.** The Authority hereby approves and ratifies each and every action taken by its officers, agents, members and employees prior to the date hereof in furtherance of the purposes of this Resolution.

**Section 8.** This resolution shall take effect from and after its adoption.

Dated: October 10, 2012

EXHIBIT A

The Borrowers are one or more of the following charter schools under the Charter School Law:

<b>No.</b>	<b>School</b>	<b>CDS Code</b>	<b>City</b>	<b>Non-Profit Corporation the School Is Operated As</b>	<b>Not to Exceed Loan Amount</b>
1.	Envision Academy for Arts & Technology	01100170112607	Oakland	Envision Education, Inc.	786,000
2.	Impact Academy of Arts & Technology	01611920113902	Hayward	Envision Education, Inc.	1,079,000
3.	Pathways to College	36750440112441	Hesperia	Crosswalk: Hesperia Experiential Learning Path	814,000
					<b>\$2,679,000</b>